

MEMORANDUM

Agenda Item No. 8(M)(5)

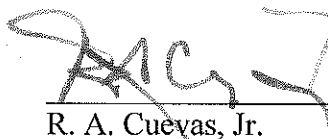
TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: October 7, 2014

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Resolution approving allocation
of \$2,000,000.00 from Project
320 of Building Better
Communities General Obligation
Bond Program to Sunshine Plaza
79/Miami Merchants Mart to
fund certain economic
development projects

The accompanying resolution was prepared by the Regulatory and Economic Resources Department and placed on the agenda at the request of Prime Sponsor Commissioner Jean Monestime.



R. A. Cuevas, Jr.
County Attorney

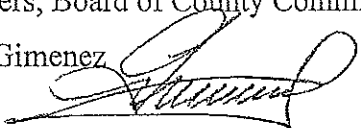
RAC/cp

Memorandum



Date: October 7, 2014

To: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: Allocation of Economic Development in the Targeted Urban Areas Fund - Project 320 to Sunshine Plaza Project, Miami Merchants Mart, LLC

Recommendation

It is recommended that the Board of County Commissioners (Board) approve the attached resolution allocating \$2,000,000.00 of funding from the Building Better Communities General Obligation Bond (BBC GOB) Program, Economic Development in the Targeted Urban Areas Fund - Project 320 to the Sunshine Plaza project (Project). The resolution directs the Mayor or Mayor's designee to begin negotiating the terms of a grant agreement that will be presented to the Board for their approval at a future date.

Scope

The proposed project is located at 3015 NW 79 Street, Miami, in Commission District 2 (Commissioner Jean Monestime). The economic impact of this project primarily benefits the West Little River Targeted Urban Area but indirect benefits will also occur in areas of Miami-Dade County outside of the Targeted Urban Area and District 2.

Fiscal Impact/Funding Source

There will be no fiscal impact to the County with the approval of this item which simply sets a potential allocation for the recommended project and establishes the directive to begin negotiations for a grant agreement that must come back to the Board for final approval.

Track Record/Monitor

Deputy Director of Regulatory and Economic Resources Josh Gelfman will monitor the creation and retention of new jobs, average salaries, private investment and any other performance measures as agreed in the respective grant agreements, which would be approved by the Board.

Background

In November 2004, Miami-Dade County voters approved the issuance of \$352.182 million in general obligation bonds to, among other things, construct and improve bridges, public infrastructure, and neighborhood improvements as part of the BBC GOB Program. A total of \$15 million was allocated towards the Economic Development in the Targeted Urban Areas Fund Project 320. The Administrative Rules for the BBC GOB Program that govern Fund Project 320 were adopted by the Board under Resolution No. R-668-10 on June 15, 2010.

Funding from grant awards under Project 320 must be used for public infrastructure improvements to spur economic development and attract new businesses to the community in order to create jobs. Public infrastructure includes road improvements, water and sewer networks, public parking structures, public facilities and other improvements subject to certain limitations and evaluated on a case-by-case basis. Ineligible uses of the grant awards from Project 320 include, but are not limited to, working capital, furniture and fixtures, business equipment, and non-capital related expenses.

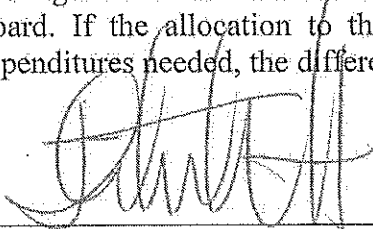
Staff conducted evaluations of proposed projects taking into consideration the requirements and objectives of the Administrative Rules, the language in the BBC GOB bond question approved by the voters in 2004, and the information submitted on the BBC GOB application.

The grant awards are disbursed as reimbursements of eligible expenditures paid by the grantees and approved by the Mayor or the Mayor's designee in accordance with established administrative and IRS rules governing the tax-exempt status of the General Obligation Bond Program. The disbursement of grant funds are also contingent upon the developer meeting performance measures for job creation, private investment, average salaries and other measures in the respective grant agreements. In the event that IRS rules require grant funds to be disbursed before performance milestones can be met, a clawback provision will be included in the grant agreement that allows the County to recover part or all of the grant funds disbursed when performance milestones are not achieved.

Miami Merchants Mart, LLC proposes the renovation and expansion of an existing shopping center, transforming the underutilized site to accommodate national and regional branded retail and service tenants identified as the Sunshine Plaza 79 project. The renovation and expansion will require private investment of \$9,000,000 and an estimated \$2,000,000 of Project 320 investment for necessary roadway improvements, utility upgrades, lighting and landscaping in public areas. The applicant projects that 25 percent of sales generated in the renovated and expanded center will represent customers from outside of Miami-Dade County. The applicant also estimates that new tenants will hire approximately 100 full and part-time workers at full occupancy, and that, together with tenants, it will develop a plan to maximize the employment of workers from low and moderate income households.

Sunshine Plaza will be located in the West Little River Targeted Urban Area where the poverty rate is 27% according to recent Census Bureau estimates, and the median household income is \$30,000. The unemployment rate is estimated at 16%.

Prior to entering into a grant agreement, a final determination as to the Project's qualification to receive the funds will be made. The grant agreement will be presented to the Board for approval at a future date. If an agreement for the Sunshine Plaza project cannot be finalized, the funding may be reallocated by the Board. If the allocation to this project is greater than the amount of eligible public infrastructure expenditures needed, the difference will be available for reallocation by the Board.



Jack Osterholt, Deputy Mayor




MEMORANDUM

(Revised)

TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: October 7, 2014

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 8(M)(5)

Please note any items checked.

- ☐ "3-Day Rule" for committees applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Ordinance creating a new board requires detailed County Mayor's report for public hearing
- ☐ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- ☐ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(M)(5)
10-7-14

RESOLUTION NO. _____

RESOLUTION APPROVING ALLOCATION OF
\$2,000,000.00 FROM PROJECT 320 OF BUILDING
BETTER COMMUNITIES GENERAL OBLIGATION
BOND PROGRAM TO SUNSHINE PLAZA 79/MIAMI
MERCHANTS MART TO FUND CERTAIN ECONOMIC
DEVELOPMENT PROJECTS

WHEREAS, Appendix A to Resolution No. R-914-04 (the “Public Infrastructure Resolution”), lists projects eligible for funding from the Building Better Communities General Obligation Bond Program by project number, municipal project location, commission district, project description, street address, and project funding allocation; and

WHEREAS, one of the projects listed in Appendix A to the Public Infrastructure Resolution and approved by the voters for funding is Project No. 320 – Economic Development Fund (“Project 320”) with a project description that states “Provide infrastructure improvements to spur economic development and attract new businesses to the community and to create jobs”; and

WHEREAS, the goal of Project 320 is to encourage private sector development that will create jobs and cause economic development which will have long term benefits to the community; and

WHEREAS, this Board wishes to approve an allocation of \$2,000,000.00 from Project 320 to Sunshine Plaza 79/Miami Merchants Mart as recommended by the Mayor upon certain employment and salary benchmarks being met at different intervals, among other requirements, as described in the Mayor’s Memorandum which accompanies this Resolution; and

WHEREAS, the individual Grant Agreement between the County and Sunshine Plaza 79/Miami Merchants Mart which incorporates such conditions shall be submitted to the Board for approval in the future,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The foregoing recitals and the Mayor's Memorandum are approved and incorporated in this Resolution.

Section 2. The allocation of \$2,000,000.00 from Project 320 to Sunshine Plaza 79/Miami Merchants Mart is approved.

The foregoing resolution was offered by Commissioner ,
who moved its adoption. The motion was seconded by Commissioner
and upon being put to a vote, the vote was as follows:

Rebeca Sosa, Chairwoman
Lynda Bell, Vice Chair

Bruno A. Barreiro
Jose "Pepe" Diaz
Sally A. Heyman
Jean Monestime
Sen. Javier D. Souto
Juan C. Zapata

Esteban L. Bovo, Jr.
Audrey M. Edmonson
Barbara J. Jordan
Dennis C. Moss
Xavier L. Suarez

The Chairperson thereupon declared the resolution duly passed and adopted this 7th day of October, 2014. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.



Gerald T. Heffernan

Economic Development Fund
Building Better Communities
General Obligation Bond Program

EDF General Project Overview

SUNShine Plaza 79

Project Title

Miami Merchants Mart

Name of Business

3-31-14

Date Submitted

After review of this Project Overview, the Office of Economic Development and International Trade may request additional information including a business plan containing a market assessment, financial projections, and development site plans. The submission of this project overview does not guarantee funding.

Jack Osterholt, Director
Regulatory and Economic Resources Department
STEPHEN P. CLARK CENTER, 111 N.W. 1st STREET, SUITE 1900
MIAMI, FLORIDA 33128
Telephone (305) 375-1254 Fax (305) 679-7895
www.miamidade.gov/oedit



ECONOMIC DEVELOPMENT, GENERAL PROJECT OVERVIEW



1. BUSINESS INFORMATION

- A. Name of Business Unit: Miami Merchants Mart
- B. Mailing Address: 3015 N.W. 79th Street
Street Address
Miami FL 33147
City State Zip Code
- C. Primary Contact Person of Parent Company (if applicable):
Jack Chera
- D. Title: MGR
 Mailing Address: 767 Fifth Avenue
Street Address
New York NY 10153
City State Zip Code
 Telephone: 917-749-2055 Fax: 212-629-9434
 Email: JChera@crtl.com Website: None
 E. Federal Employer Identification Number: 20-3372948 *BUSINESS PRTM 2241025*
 F. Unemployment Compensation Number: 2944537
 G. Florida Sales Tax Registration Number: 23-8013505168-2
 H. What is the business's tax year? (ex: Jan 1 to Dec 31): JAN 1st to DEC 31st
 I. Is this business an active and duly registered for-profit Florida corporation?
 Yes ☒ No ☐ If no, please explain: _____

Indicate ownership status: (Note: Responding to this question is voluntary and not required. The County does not use this information as a factor in determining the award of County funds or contracts.) Check all that apply.

- Minority Owned Business ☐ Woman Owned Business ☐ Privately Owned Business ☒
 Publicly Owned Business ☐ None ☐

Is this business an active and duly registered not-for-profit 501(C)(3) Florida corporation?

- Yes ☐ No ☒

J. Will the business requesting grant funds own or lease the property where the project will be located?

- Own ☒ Lease ☐ (Note: Provide a copy of the deed showing ownership or a copy of the lease.)

K. If the business will own the property, is or will the property be encumbered by any mortgage and if so provide the balance of the mortgage(s). \$ 10,000,000.00

2. PROJECT OVERVIEW

A. Which of the following best describes this business?

- ☐ New business unit to Miami-Dade County creating jobs.
☒ Existing Miami-Dade County business creating/expanding jobs in Miami-Dade.
 (If an expansion, how many jobs are currently in the expanding business unit?) 37
☐ Developer building new construction for business _____ (name of the company)
 that will be creating _____ jobs.

¹ Must be a separate business unit or reporting unit of a business unit that is or will be registered with the State of Florida for unemployment compensation purposes.

ECONOMIC DEVELOPMENT, GENERAL PROJECT OVERVIEW



B. How many individuals are employed at all Florida locations? (FTE²)

37

C. Are any jobs being transferred from other Florida locations? No

Yes

☐

No

☒

If yes, how many jobs and from where?

Why are these jobs being transferred?

D. Project Location Information:

(i) What is the project's proposed location address:

3015 N.W. 79th Street

Street Address

City

Miami

Florida

State

33147

Zip Code

(ii) What is the project's current location address (if different):

Street Address

Same

City

State

Zip Code

(iii) Is the project location within a current or proposed Brownfield site / area?

Yes

☐

No

☒

If yes, attach a copy of the official document designating the Brownfield area.

(iv) Is the project location in an Enterprise Zone, Empowerment Zone or a Targeted Urban Area as defined in Section 30A-129(2) of the Miami-Dade County, FL Code of Ordinances?

Yes

☒

No

☐

If yes, which zone? North Central + Central

E. Give a full description of this proposed project. (Not to exceed 500 words. Be specific.)

Existing shopping center will be renovated and expanded to accommodate additional nationally recognized branded retail and service tenants.

F. Explain how this proposed project will spur economic development, attract new businesses to Miami-Dade County and create jobs.

Bringing in national and regional tenants will create more shopping which will create tax revenue as well as over 100 new full and part-time jobs.

G. Provide a complete project line item budget, including estimated cost, sources and uses of funds, a detailed description of project elements, and the portion of the project proposing to utilize Economic Development Fund grants. (EDF grants can only be used for public infrastructure.) See attachment.

H. What proportion of gross operating revenues from this project are anticipated to represent sales to customers located outside of Miami-Dade County? (if sales are not a reasonable measure, use another basis for measure and provide explanation below.)

25%

Explain, if necessary:

² An FTE or "full-time equivalent" job implies at least 35 hours of paid work per week per employment position.

ECONOMIC DEVELOPMENT, GENERAL PROJECT OVERVIEW



3. JOB AND WAGE OVERVIEW

A. How many new FTE jobs are to be created as part of this project? What are the initial average wage and benefits?

Occupation	Avg Wage	Avg Benefits	Year 20	Year 20	Year 20	Year 20	Year 20	Year 20
Prof., Scientist	\$	\$						
Research Tech.								
Senior Mgmt								
Admin. Support								
Production Wrkrs								
Other	\$10/hr	\$2/hr	15 people	25 people	25 people	35 people	—	—

Jobs created, continued

Occupation	Year 20	Year 20	Year 20	Year 20	Year 20	Year 20	Year 20	Year 20	Year 20
Prof., Scientist									
Research Tech.									
Senior Mgmt									
Admin. Support									
Production Wrkrs									
Other									

B. What employee benefits are included above? (e.g. health insurance) 401(k) contributions, vacation and sick leave etc.)

C. If this is an existing business located in Miami-Dade, then how many jobs are expected to be retained as part of this project? (Jobs in jeopardy of leaving Miami-Dade should only be included here.) 10 (Note: EDF grants cannot be used solely for the purpose of retaining existing jobs.)

D. What is the business' principal industry classification code? (Use North American Industry Classification System - NAICS.): 44-45

If more than one NAICS code applies, then provide a breakdown of the project's primary business activities:

Business Unit Activities	NAICS Code	% of Project Revenues (Total = 100%)	Annualized Wages (Total \$)
		%	\$
		%	\$
		%	\$

4. CAPITAL INVESTMENT OVERVIEW

A. Describe the capital investment in real and personal property (Examples: construction of new facility; remodeling of facility; upgrading, replacing, or buying new equipment. Do not include the value of land purchased for construction of a new building but include architect, engineering and design costs). See attachment.

ECONOMIC DEVELOPMENT, GENERAL PROJECT OVERVIEW



- B. List the anticipated amount (thousands of dollars) and type of major capital investment to be made by the applicant in connection with this project. (Attach separate schedule if investment will be made over more than five years)

	Year 2014	Year 2015	Year ____	Year ____	Year ____
Land	\$ -	\$	\$	\$	\$
New Construction (excl. public infrastructure)	\$ 1.5	\$ 1.5	\$	\$	\$
Building Renovations	\$ 2	\$ 2	\$	\$	\$
Manufacturing Equipment	\$ -	\$	\$	\$	\$
R & D Equipment	\$ -	\$	\$	\$	\$
Other Equipment (computer equipment, office furniture, etc)	\$ 1	\$ 1	\$	\$	\$
Total Capital Investment	\$	\$	\$	\$	\$

- C. What is the estimated square footage of the new or expanded facility? 210,000 SF
D. What is the deadline to make the location decision (date)? 4/15/14
E. What is the anticipated date that construction will begin? 9/15/14
F. What is the anticipated construction completion date? 5/1/16
(If this project is being built in phases, then provide a commencement and completion date for each phase.)
G. What is the anticipated date that operations will commence? 5/15/16
H. Submit documentation demonstrating financial capacity and financial commitments using other non-County sources to complete the project. Upon request, a letter of minimum liquidity for the ownership entity will be submitted.

5. PUBLIC INFRASTRUCTURE NEEDS

- A. Describe the type of public infrastructure investment needed, roadwork, lighting, landscaping, utility upgrades
B. What is the total anticipated cost of public infrastructure needed for this project? \$2,000,000
C. EDF grants will be disbursed only after the public infrastructure investments are complete and negotiated performance benchmarks are met. Describe the business's capacity to finance the public infrastructure costs. The business will have equity and loan investments committed in advance of commencement.

6. ECONOMIC IMPACT AND CORPORATE RESPONSIBILITY

- A. Provide a brief synopsis of any special economic impacts/benefits the project is expected to stimulate in the community, the County, and the rest of South Florida. See attachment.
B. Will business operations being supported with an Economic Development Fund grant establish a plan for maximizing the employment of persons with family incomes less than 80% of the County's median household income, or persons living in Census Block Groups where 50% of residents live in households with income less than 80% of the median? If yes, explain how that plan will be developed and implemented. Yes, this plan will be developed in conjunction with the new retailers that will open and hire new employees.
C. Will the business operations be conducted in LEED certified (or equivalent energy efficiency rating system) buildings? If yes, at what level of certification

Yes ☐ No ☒

ECONOMIC DEVELOPMENT, GENERAL PROJECT OVERVIEW



- D. List and explain any criminal or civil fines or penalties or ongoing investigations or debarments that have been performed/imposed upon the company, its executives, its principals or its affiliates and any bankruptcy proceedings (within the past 10 years) of the applicant or its parent company. Do not leave this question blank. If there are no issues to be identified, write "NONE." Failure to disclose this information may result in this application being denied. *Open civil fine for signage that we are currently disputing, open fine for water issue that we are addressing.*
- B. Is the company current with all its state, local and federal taxes? If no, please explain.

Yes ☒ No ☐

- F. Provide any additional information you wish considered as part of this review of your request for incentives or items that may provide supplementary background information on your project or company.

7A. SIGNATURES

Application Completed By:

Jake Chera
Signature

Jake Chera
Name

MGR.
Title

Miami Merchants MART
Company

Same
Address, if different than mailing address

917-749-2055
Phone number

212-629-9424
Fax Number

Jcher@earth.com
Email Address

3-31-14
Date

Name of contact person, if different than above

Phone Number

Address

Address

Email Address

To the best of my knowledge, the information included in this application is accurate.

Jake Chera
Signature (Authorized Company Officer)
REQUIRED

Jake Chera
Name

MGR / VP
Title

Miami Merchants MART
Company

Same
Address, if different than mailing address

917-749-2055
Phone number

212-629-9424
Fax Number

Jcher@earth.com
Email Address

3-31-14
Date

Miami Merchants Mart
3015 NW 79th Street
Miami, FL 33147

Regulatory and Economic Resources Department
Stephen P. Clark Center
111 NW 1st Street
Suite 1900
Miami, FL 33128

RE: Economic Development Fund – General Project Overview

2. Project Overview

- G. Provide a complete project line item budget, including estimated cost, sources and uses of funds, a detailed description of project elements, and the portion of the project proposing to utilize Economic Development Fund Grants.
- The estimated total cost will be over \$9,000,000 and will be funded by a combination of equity and loans.
 - The anticipated EDF grant will assist in the procurement and development of new site roadwork, lighting, landscaping along 79th Street and 30th Avenue as well as utility upgrades.
 - The project will be completed in 18-24 months.

4. Capital Investment Overview

- A. Describe the capital investment in real and personal property.
- Construction of new facility: \$3,000,000
 - Remodeling of facility: \$4,000,000
 - New equipment (HVAC, etc.): \$2,000,000

6. Economic Impact and Corporate Responsibility

- A. Provide a brief synopsis of any special economic impacts/benefits the project is expected to stimulate in the community, the County, and the rest of South Florida.
- The project will stimulate job creation, neighborhood beautification, neighborhood safety, tax revenue, and community space, as well as new channels of basic needs distribution (i.e. supermarkets & financial services).